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By: **Frederick County Delegation**

Introduced and read first time: February 2, 2004

Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Frederick County - Bond Rating Enhancement Reserve and Appropriation**

3 FOR the purpose of requiring the Board of County Commissioners of Frederick  
4 County to establish and maintain a bond rating enhancement reserve and  
5 establish criteria for maintaining the reserve; stating the purpose of the reserve;  
6 authorizing the County Commissioners to increase appropriations and expend  
7 the increased appropriations; requiring the County Commissioners to establish,  
8 by ordinance, criteria for increasing appropriations and expending the increased  
9 appropriations and requiring the increase to be derived from the reserve or a  
10 certain general fund; defining certain terms; and generally relating to the bond  
11 rating enhancement reserve and appropriation in Frederick County.

12 BY adding to  
13 Article 25 - County Commissioners  
14 Section 221B  
15 Annotated Code of Maryland  
16 (2001 Replacement Volume and 2003 Supplement)

17 BY adding to  
18 The Public Local Laws of Frederick County  
19 Section 2-7-10 and 2-7-11  
20 Article 11 - Public Local Laws of Maryland  
21 (1979 Edition and April 2002 Supplement, as amended)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article 25 - County Commissioners**

25 221B.

26 IN FREDERICK COUNTY, THE BOARD OF COUNTY COMMISSIONERS SHALL  
27 ESTABLISH AND MAINTAIN A BOND RATING ENHANCEMENT RESERVE.

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**Article 11 - Frederick County**

2 2-7-10.

3 (A) IN THIS SECTION, "RESERVE" MEANS THE BOND RATING ENHANCEMENT  
4 RESERVE.

5 (B) THE BOARD OF COUNTY COMMISSIONERS SHALL ESTABLISH A BOND  
6 RATING ENHANCEMENT RESERVE AND SHALL:

7 (1) ESTABLISH CRITERIA FOR MAINTAINING THE RESERVE; AND

8 (2) MAINTAIN THE RESERVE.

9 (C) THE PURPOSE OF THE RESERVE IS TO:

10 (1) ENHANCE, PRESERVE, AND SAFEGUARD FREDERICK COUNTY'S BOND  
11 RATING; AND

12 (2) PROTECT THE FINANCIAL INTEGRITY OF FREDERICK COUNTY.

13 2-7-11.

14 (A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE BOARD OF COUNTY  
15 COMMISSIONERS MAY INCREASE APPROPRIATIONS AND EXPEND THE INCREASED  
16 APPROPRIATIONS.

17 (B) PRIOR TO INCREASING APPROPRIATIONS AND EXPENDING THE  
18 INCREASED APPROPRIATIONS, THE BOARD OF COUNTY COMMISSIONERS SHALL:

19 (1) ESTABLISH, BY ORDINANCE, CRITERIA FOR INCREASING  
20 APPROPRIATIONS AND EXPENDING THE INCREASED APPROPRIATIONS; AND

21 (2) REQUIRE THE INCREASE IN APPROPRIATIONS TO BE DERIVED FROM:

22 (I) THE UNAPPROPRIATED UNDESIGNATED GENERAL FUND  
23 BALANCE REQUIRED UNDER § 2-7-1(A)(2) OF THIS ARTICLE; OR

24 (II) THE BOND RATING ENHANCEMENT RESERVE ESTABLISHED  
25 UNDER § 2-7-10 OF THIS ARTICLE.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
27 effect July 1, 2004.